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C O N F I D E N T I A L SECTION 01 OF 02 MANILA 000012

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TAGS: [PGOV](#) [PREL](#) [RP](#)

SUBJECT: AMBASSADOR DISCUSSES PEACE PROCESS, POLITICAL  
ISSUES WITH FOREIGN SECRETARY

Classified By: Amb. Kristie A. Kenney, reasons 1.4 (b) and (d).

11. (C) During a breakfast meeting January 5, the Ambassador and Secretary of Foreign Affairs Alberto Romulo discussed the Philippine peace talks with Muslim insurgents, potential for changes to the Philippine Constitution, the Millennium Challenge Corporation, and external political issues. On the peace process, the Ambassador expressed concern that fighting in Mindanao was leaving more residents displaced and that outside terrorist groups such as Jemaah Islamiyah could use the lack of movement toward restarting talks as a pretext to increase their presence in Mindanao. Romulo expressed hopes that his Government's new peace panel could get things back on track. Romulo said he understood the need for the Philippines to improve its anti-corruption performance in order to be eligible for Millenium Challenge Corporation funding. Addressing the movement to amend the constitution, Romulo said that such efforts should wait until after presidential elections in 2010, as the public would not tolerate any provisions that allowed President Arroyo to run again. On external issues, Romulo noted that he had been in Thailand over the holidays to meet his counterpart and was hopeful that things would improve there with the new government in place. Romulo said the Philippine government was worried about the security of Filipinos in Gaza and was planning to evacuate more than 100 Philippine citizens in the next few days. Romulo emphasized he looked forward to meeting Secretary Rice in the U.S., as the reason for his trip was to thank her personally for her friendship and leadership. He also expressed his hopes to see EAP Assistant Secretary Hill while in Washington. End Summary.

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MINDANAO PEACE PROCESS  
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12. (C) During a breakfast hosted by Philippine Foreign Secretary Alberto Romulo January 5, the Ambassador voiced her concern over the Philippine government's lack of movement on the peace process with Muslim insurgents in Mindanao. The Ambassador said that outside terrorist groups operating in the Philippines, such as Jemaah Islamiyah, could interpret the failure to restart talks as a lack of commitment to the peace process by the Arroyo government and could capitalize on the situation to reestablish a foothold in Mindanao. The Ambassador emphasized that continuing violence could have a negative outcome internationally for the Philippines, as it sent the wrong signal to potential investors and tourists. Renewing the ceasefire that existed five months ago was a critical first step that the Ambassador stressed needed to occur immediately. Secretary Romulo was optimistic that the government's new peace panel would be able to restart peace talks and said that newly-appointed chairman Rafael Seguis had added Mindanao-based lawyer Tomas Cabili to the panel, giving the body the ability to avoid previous legal issues that had derailed the peace process in August. Romulo admitted that some Cabinet members had strong hawkish tendencies and favored pressing the fight against rogue Moro

Islamic Liberation Front commanders, a position that only exacerbated the tenuous situation, with civilians displaced by the conflict.

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NOT THE TIME FOR CONSTITUTIONAL CHANGE  
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13. (C) Discussing the potential for amending the Constitution, which many Filipinos believe would be intended to maintain President Arroyo in power after her term expires in 2010, Romulo stressed that he did not think President Arroyo was serious about such a process, as there was no public support for it. He opined that any move to amend the constitution should be delayed until after the presidential elections in 2010, when the merits of such constitutional amendments could be evaluated without regard to the current administration.

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MILLENNIUM CHALLENGE CORPORATION  
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14. (C) Given the Millenium Challenge Corporation (MCC) decision to re-select the Philippines for participation, Secretary Romulo said he recognized the necessity for continued progress in mitigating corruption to meet MCC Compact criteria. The Ambassador urged Romulo to take an active role in encouraging substantive institutional reforms to reduce corruption. Romulo noted that the Philippines had made marked headway against corruption and would continue to do so.

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EXTERNAL POLITICS  
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15. (C) Having just returned from a trip to Bangkok over the holidays, Secretary Romulo said he had met with his Thai counterpart, Foreign Minister Kasit Piromya. Romulo said the trip went well and that he hoped the political situation in Thailand would continue to improve now that the new government was in place. Regarding the current violence in Gaza, Romulo acknowledged that the Philippine government was concerned about the safety of Philippine citizens residing in Gaza, many of them married to Palestinians, and that the Arroyo administration had arranged for the evacuation of more than 100 Filipinos in the wake of the current fighting. At the same time, Romulo emphasized that he firmly supported the USG position regarding Israel's offensive and that Hamas attacks against Israel had left the Israeli government no other option.

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TRIP TO U.S.  
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16. (C) Romulo concluded the meeting by raising his upcoming trip to the United States January 13. He said he was making the trip specifically to thank Secretary Rice for her friendship and leadership during her tenure. Romulo noted he had no other meetings planned, but that he hoped he might also be able to see EAP Assistant Secretary Hill while in Washington.

KENNEY